

CHAPTER NO. 226

HOUSE BILL NO. 784

By Representative Briley

Substituted for: Senate Bill No. 262

By Senators Harper, Cohen

AN ACT to amend Tennessee Code Annotated, Title 56, relative to property and casualty insurance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. At any time a policy holder files a property claim under a personal lines fire or homeowners insurance policy for structural damage with an estimated value at or above twenty thousand dollars (\$20,000), the insurer shall provide the policy holder with a written statement setting forth certain basic rights to which the policyholder is entitled under their policy.

SECTION 2. At a minimum, the written statement required by Section 1 shall advise policyholders of their rights to:

- (a) Receive quality repair work to restore the damages to their property;
- (b) Have the repairs made by a contractor of their choice understanding that the contractor is hired by the policyholder and that this contractor does not work for or at the direction of the insurance company;
- (c) Receive a copy of the insurance policy free of charge upon request;
- (d) Be informed of the need to file a proof of loss, if required;
- (e) Receive the name, phone number, and address of the claim representative handling the loss;
- (f) Receive a detailed estimate of the scope of damage and costs of repairs. Should the contractor selected by the policyholder have questions concerning the insurance company's estimate, the policyholder or their contractor should contact their claim representative directly;
- (g) File supplemental claims as the need arises;
- (h) File a complaint with the Department of Commerce and Insurance by calling the Policyholder Service Section at 1-800-342-4029 if the policyholder is unable to work out an agreement after speaking with their claim representative, agent, and the company.

SECTION 3. The written statement required by this act shall also inform the policyholder that the requirements of this act do not amend or replace any part of the policyholder's insurance policy and that the policyholder should carefully read and examine their insurance policy including all policy coverages, conditions, exclusions and rights.

SECTION 4. Any insurer that fails to comply with the provisions of this act shall be subject to the unfair claims settlement practice provisions under Tennessee Code Annotated, Section 56-8-104(8).


SECTION 5. This act shall take effect July 1, 2001, the public welfare requiring it.

PASSED: May 10, 2001


JIMMY RAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 15th day of May 2001


DON SUNDQUIST, GOVERNOR